



## ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

Felecia A. Rotellini  
Superintendent of Financial Institutions

Janet Napolitano  
Governor

September 22, 2008

Via Certified Mail

Justin Rich, Owner  
Justin Rich dba  
1st Solutions Mortgage  
12910 W. Charter Oak Road  
El Mirage, AZ 85335



Reference: Docket # 09F-BD021-BNK/ Justin Rich dba 1st Solutions Mortgage

Dear Mr. Rich:

Please find the enclosed formal Order of Summary Suspension and Notice of Hearing. The hearing is scheduled for **October 28, 2008, at 1:30 p.m.** at the Office of Administrative Hearings, 1400 West Washington, Suite 101, Phoenix, Arizona.

Please contact **Assistant Attorney General Liane Kido** at **(602) 542-8011** with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Felecia Rotellini".

Felecia A. Rotellini  
Superintendent of Financial Institutions

RDC:sl

Enclosures

cc: Liane Kido, Assistant Attorney General

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Mortgage Broker License of:

No. 09F-BD021-BNK

3 **JUSTIN RICH DBA 1<sup>ST</sup> SOLUTIONS  
MORTGAGE**

4 12910 W. Charter Oak Road  
5 El Mirage, AZ 85335

6 Respondent.

**ORDER OF SUMMARY SUSPENSION  
AND NOTICE OF HEARING TO REVOKE**

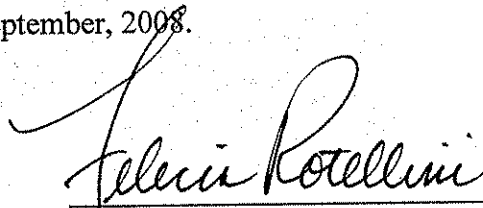
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SEP 23 2008

7 The Arizona Department of Financial Institutions (the "Department") hereby finds that Justin  
8 Rich DBA 1st Solutions Mortgage ("Respondent") has violated the provisions of the Arizona  
9 Revised Statutes ("A.R.S."), Title 6 as set forth below and finds that the public health, safety and  
10 welfare require emergency action pursuant to A.R.S. §§ 6-905 and 41-1092.11(B).

11 **THEREFORE, IT IS ORDERED** to summarily suspend the Arizona mortgage broker  
12 license held by Respondent, effective immediately, pending the proceedings for revocation or other  
13 action commenced this date. **This suspension is effective immediately.**

14 EFFECTIVE this 22<sup>nd</sup> day of September, 2008.

15  
16 

17 Felecia A. Rotellini  
18 Superintendent of Financial Institutions

19 NOTICE OF HEARING AND COMPLAINT

20 PLEASE TAKE NOTICE that, pursuant to Arizona Revised Statutes ("A.R.S.") §§ 6-138,  
21 and 41-1092.02, the above-captioned matter will be heard through the Office of Administrative  
22 Hearings, an independent agency, and is scheduled for October 28, 2008, at 1:30 p.m., at the Office  
23 of Administrative Hearings, 1400 West Washington, Suite 101, Phoenix, Arizona, (602) 542-9826  
24 (the "Hearing").

25 The purpose of the Hearing is: (1) to determine whether grounds exist to suspend or revoke  
26

1 Respondent' mortgage broker license; (2) to order any other remedy necessary or proper for the  
2 enforcement of statutes and rules regulating mortgage brokers in Arizona pursuant to A.R.S.  
3 §§ 6-123 and 6-131; and (3) to impose a civil money penalty pursuant to A.R.S. § 6-132.

4 Pursuant to A.R.S. § 6-138, the Superintendent of Financial Institutions for the State of  
5 Arizona (the "Superintendent") delegates the authority vested in the Superintendent, whether implied  
6 or expressed, to the Director of the Office of Administrative Hearings or the director's designee to  
7 preside over the Hearing as the Administrative Law Judge, to make written recommendations to the  
8 Superintendent consisting of proposed Findings of Fact, Conclusions of Law, and Order. The Office  
9 of Administrative Hearings has designated Lewis Kowal at the address and phone number listed  
10 above, as the Administrative Law Judge for these proceedings. Pursuant to Arizona Administrative  
11 Code ("A.A.C.") Rule 2-19-104 and A.R.S. §§ 41-1092.01(H)(1) and 41-1092.08, the  
12 Superintendent retains authority to enter orders granting a stay, orders on motions for rehearing, final  
13 decisions pursuant to A.R.S. § 41-1092.08 or other order or process which the Administrative Law  
14 Judge is specifically prohibited from entering.

15 Motions to continue this matter shall be made in writing to the Administrative Law Judge **not**  
16 **less than fifteen (15) days** prior to the date set for the Hearing. A copy of any motion to continue  
17 shall be mailed or hand-delivered to the opposing party on the same date of filing with the Office of  
18 Administrative Hearings.

19 A.R.S. § 41-1092.07 entitles any person affected by this Hearing to appear in person and by  
20 counsel, or to proceed without counsel when submitting evidence, to have a reasonable opportunity  
21 to inspect all documentary evidence, to cross-examine witnesses, to present evidence and witnesses  
22 in support of his/her interests, and to have subpoenas issued by the Administrative Law Judge to  
23 compel attendance of witnesses and production of evidence. Pursuant to A.R.S. § 41-1092.07(B),  
24 any person may appear on his or her own behalf or by counsel.

25 Pursuant to A.R.S. § 41-1092.07(E), a clear and accurate record of the proceedings will be  
26 made by a court reporter or by electronic means. Any party that requests a transcript of the

1 proceedings shall pay the cost of the transcript for the court reporter or other transcriber.

2 Questions concerning issues raised in this Notice of Hearing should be directed to Assistant  
3 Attorney General Liane Kido, (602) 542-8011, 1275 West Washington, Phoenix, Arizona 85007.

4 **NOTICE OF APPLICABLE RULES**

5 The hearing will be conducted pursuant to A.A.C. R20-4-1201 through R20-4-1220 and the  
6 rules governing procedures before the Office of Administrative Hearings, A.A.C. R2-19-101 through  
7 R2-19-122. A copy of these rules is enclosed.

8 Pursuant to A.A.C. R20-4-1209, Respondent shall file a written answer **within twenty (20)**  
9 **days** after issuance of this Notice of Hearing. The answer shall briefly state the Respondent'  
10 position or defense and shall specifically admit or deny each of the assertions contained in this  
11 Notice of Hearing. If the answering Respondent are without or are unable to reasonably obtain  
12 knowledge or information sufficient to form a belief as to the truth of an assertion, Respondent shall  
13 so state, which shall have the effect of a denial. Any assertion not denied is deemed admitted.  
14 When Respondent intend to deny only a part or a qualification of an assertion, or to qualify an  
15 assertion, Respondent shall expressly admit so much of it as is true and shall deny the remainder.  
16 Any defense not raised in the answer is deemed waived.

17 **If a timely answer is not filed, pursuant to A.A.C. R20-4-1209(D), Respondent will be**  
18 **deemed in default** and the Superintendent may deem the findings in this Notice of Hearing as true  
19 and admitted and the Superintendent may take whatever action is appropriate, including (1)  
20 suspension or revocation of Respondent' license; (2) any other remedy necessary or proper for the  
21 enforcement of statutes and rules regulating mortgage brokers in Arizona pursuant to A.R.S. §§ 6-  
22 123 and 6-131; and (3) imposing a civil money penalty pursuant to A.R.S. § 6-132..

23 Respondent' answer shall be mailed or delivered to the Arizona Department of Financial  
24 Institutions, 2910 North 44th Street, Suite 310, Phoenix, Arizona 85018, with a copy mailed or  
25 delivered to the Office of Administrative Hearings, 1400 West Washington, Suite 101, Phoenix,  
26 Arizona 85007 and to Assistant Attorney General Liane Kido, Consumer Protection & Advocacy

1 Section, Attorney General's Office, 1275 West Washington, Phoenix, Arizona 85007.

2 **Persons with disabilities may request reasonable accommodations such as interpreters,**  
3 **alternative formats, or assistance with physical accessibility.** Requests for special  
4 accommodations must be made as early as possible to allow time to arrange the accommodations. If  
5 accommodations are required, call the Office of Administrative Hearings at (602) 542-9826.

### 6 FINDINGS

7 1. Respondent Justin Rich DBA 1st Solutions Mortgage, ("JUSTIN RICH") is a sole  
8 proprietor authorized to transact business in Arizona as a mortgage broker, license number MB  
9 0908980, within the meaning of A.R.S. §§ 6-901, *et seq.* The nature of JUSTIN RICH's business is  
10 that of making, negotiating, or offering to make or negotiate loans secured by Arizona real property,  
11 within the meaning of A.R.S. § 6-901(6).

12 2. JUSTIN RICH, before conducting business as a mortgage broker, is required to have  
13 a surety bond, deposited with the Superintendent, pursuant to A.R.S. § 6-903(G), in the required  
14 amount pursuant to A.R.S. § 6-903(H).

15 3. On January 23, 2008, the Department received a Cancellation Notice from Old  
16 Republic, stating that JUSTIN RICH's surety bond, number DLI-1246777, in the amount of ten  
17 thousand dollars (\$10,000.00), is cancelled, effective February 28, 2008.

18 4. On February 5, 2008, the Department sent a letter via certified mail to JUSTIN  
19 RICH, informing him of the bond cancellation.

20 5. JUSTIN RICH failed to provide documentation regarding the reinstatement of his  
21 bond or documentation of a new surety bond.

22 6. JUSTIN RICH does not have the required surety bond in order to conduct business  
23 as a mortgage broker.

24 7. The conduct described above constitutes an immediate threat to the public health,  
25 safety, and welfare, warranting immediate suspension of Respondent's mortgage broker license  
26

1 because Respondent is able to conduct business in Arizona as a licensed mortgage broker and he  
2 does not have the required surety bond.

3 8. The mortgage broker license of JUSTIN RICH is suspended.

4 9. The conduct described above constitutes grounds for revocation of Respondent'  
5 mortgage broker license.

#### 6 LAW

7 1. Pursuant to A.R.S. Title 6, Chapter 9, the Superintendent has the authority and duty  
8 to regulate all persons engaged in the mortgage broker business and with the enforcement of  
9 statutes, rules, and regulations relating to mortgage brokers.

10 2. By the conduct set forth above in the Complaint, JUSTIN RICH violated A.R.S. § 6-  
11 903(G) by failing to maintain the required surety bond.

12 3. Respondent has not conducted business in accordance with the law and violated Title  
13 6, Chapter 9 and the rules relating to this chapter, which are grounds for the suspension or  
14 revocation of Respondents license pursuant to A.R.S. § 6-905(A)(3).

15 4. The violations, set forth above, constitute grounds for the pursuit of any other  
16 remedy necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in  
17 Arizona pursuant to A.R.S. §§ 6-123 and 6-131.

18 5. Pursuant to A.R.S. § 6-132, Respondent' violations of the aforementioned statutes  
19 are grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for each violation  
20 for each day.

21 ...

22 ...

23 ...

24 ...

25 ...

26 ...

WHEREFORE, if after a hearing, the Superintendent makes a finding of one or more of the above described violations or other grounds for disciplinary action, the Superintendent may: (1) suspend or revoke JUSTIN RICH's mortgage broker license pursuant to A.R.S. § 6-905; (2) order any other remedy necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in Arizona under A.R.S. §§ 6-123 and 6-131; and (3) impose a civil penalty pursuant to A.R.S. § 6-132.

DATED this 22<sup>nd</sup> day of September, 2008.

Elcira Rotellini

Felecia A. Rotellini  
Superintendent of Financial Institutions

ORIGINAL of the foregoing filed this 22<sup>nd</sup>  
day of September, 2008, in the office of:

Felecia Rotellini  
Superintendent of Financial Institutions  
Arizona Department of Financial Institutions  
ATTN: Susan Longo  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

COPY mailed/delivered same date to:

Lewis Kowal, Administrative Law Judge  
Office of the Administrative Hearings  
1400 West Washington, Suite 101  
Phoenix, AZ 85007

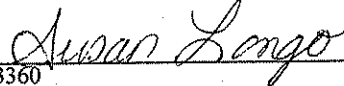
Liane Kido, Assistant Attorney General  
Attorney General's Office  
1275 West Washington  
Phoenix, AZ 85007

Richard Fergus, Licensing Manager  
Arizona Department of Financial Institutions  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

1 Robert D. Charlton, Assistant Superintendent  
2 Arizona Department of Financial Institutions  
3 2910 N. 44th Street, Suite 310  
4 Phoenix, AZ 85018

5 AND COPY MAILED SAME DATE, by  
6 Certified Mail, Return Receipt Requested to:

7 Justin Rich DBA 1st Solutions Mortgage  
8 12910 W. Charter Oak Road  
9 El Mirage, AZ 85335

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12 243360